

DESCRIPTION OF TRANSACTION AND PUBLIC INTEREST STATEMENT

By this and other contemporaneously filed Form 603 assignment applications,¹ the Commission's consent is respectfully sought for a number of simultaneous assignments of Personal Communications Services ("PCS") and Advanced Wireless Service ("AWS") licenses among a subsidiary of T-Mobile USA, Inc. ("T-Mobile USA") and subsidiaries of AT&T Inc. ("AT&T") (collectively, the "Parties").

The assignments are, in some markets, license exchanges that will enable more efficient operations resulting from larger blocks of contiguous spectrum and/or the alignment of spectrum blocks held in adjacent markets. In other markets, these assignments augment spectrum holdings of the assignees, expanding capacity and thereby benefiting consumers.

In two BTAs and two CMAs, this transaction is an intra-market exchange that results in a reduction in spectrum to T-Mobile USA. In these same intra-market exchange areas, where there is a gain in spectrum to AT&T, and in the inter-market areas, where there is a gain to one of the Parties, each still will be far below the spectrum aggregation screen level that the Commission has found may raise competitive concerns.

In addition, this transaction also satisfies in part the spectrum divestiture obligations of AT&T in connection with the AT&T/Leap Merger Order.²

Accordingly, and for the reasons set forth in more detail below, the Parties submit that Commission approval of the proposed transactions is consistent with the public interest, convenience and necessity and that the applications should be approved expeditiously and without conditions.

¹ See ULS File Nos. 0006344539, 0006344533, 0006344526, 0006344528, 0006344521 and 0006344480 (Assignment from AT&T Licensees to T-Mobile); ULS File Nos. 0006341062, 0006341010 and 0006340995 (Assignment from T-Mobile to AT&T Licensees).

² *Applications of Cricket License Company, LLC, et al., Leap Wireless International, Inc., and AT&T Inc. for Consent to Transfer Control of Authorizations, Application of Cricket License Company, LLC and Leap Licenseco Inc. for Consent to Assignment of Authorization*, Memorandum Opinion and Order, 29 FCC Rcd 2735, 2817 Appx. D (WTB/IB 2014) ("*AT&T/Leap Order*") (AT&T to divest 20 MHz of AWS-1 in CMA101 Beaumont-Port Arthur, TX (this transaction will divest 10 of those 20 MHz), 10 MHz of AWS-1 in CMA109 Spokane, WA, 10 MHz of AWS-1 in CMA112 Corpus Christi, TX, 10 MHz of AWS-1 in CMA128 McAllen-Edinburg-Mission, TX, 10 MHz of AWS-1 in CMA162 Brownsville-Harlingen, TX, 10 MHz of AWS-1 in CMA281 Laredo, TX, 10 MHz of AWS-1 in Atchison, Doniphan and Leavenworth counties in CMA432 Kansas 5 - Brown, 10 MHz of PCS in Brown and Jackson counties in CMA432 Kansas 5 - Brown, and 10 MHz of PCS spectrum in CMA669 Texas 18 - Edwards). Consistent with its commitment in the AT&T/Leap proceeding, AT&T is substituting PCS spectrum for AWS spectrum in CMA281 and CMA669. See Letter from Joan Marsh, Vice President – Federal Regulatory, AT&T, to Roger C. Sherman, Acting Chief, Wireless Telecommunications Bureau, WT Docket No. 13-193 at 3 (filed Mar. 6, 2014).

Description of the Parties

T-Mobile License LLC (“T-Mobile”) is a wholly-owned subsidiary of T-Mobile USA and, indirectly, T-Mobile US, Inc. (“T-Mobile US”), a publicly traded company, and part of the family of companies that operate under the T-Mobile® brand names. Deutsche Telekom AG, a publicly-traded German company based in Bonn, Germany (“DT”), holds a 66.79 percent interest in T-Mobile US through its wholly-owned subsidiary T-Mobile Global Zwischenholding GmbH. This subsidiary owns all of the equity and voting interests of T-Mobile Global Holding GmbH, which owns all of the equity and voting interests of Deutsche Telekom Holding B.V.,³ which in turn holds the 66.79 percent interest in T-Mobile US. The remaining 33.21 percent interest in T-Mobile US is held by public shareholders.

Led by a management team with decades of collective experience in the telecommunications industry, T-Mobile US is headquartered in Bellevue, Washington, offers nationwide wireless voice and data services to consumer and business customers and provides service to approximately 44 million subscribers. The Commission has repeatedly found that T-Mobile and its controlling companies have the requisite character and qualifications to hold Commission authorizations.⁴ An FCC Form 602 providing current ownership information for T-Mobile is on file with the Commission.⁵

Four of the applicants -- AT&T Mobility Spectrum LLC (“AT&T Mobility”), New Cingular Wireless PCS, LLC (“New Cingular”), STX Wireless License, LLC (“STX”)⁶ and Cricket License Company, LLC (“Cricket”) (together, the “AT&T

³ On December 30, 2013, the Commission granted the request to add a new direct parent company, Deutsche Telekom Holding B.V. (“DT Holding B.V.”) into T-Mobile US’s ownership chain. DT Holding B.V. is a limited liability company organized in the Netherlands. *See* File No. ISP-PDR-20130924-00006 (filed Sept. 24, 2013 and supplemented Oct. 24, 2013); *Non Streamlined International Applications/Petitions Accepted for Filing*, Public Notice, Report No. TEL-01639NS (rel. Oct. 28, 2013).

⁴ *See, e.g., Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Transfer of Control of Licenses and Authorizations*, Memorandum Opinion and Order and Declaratory Ruling, 28 FCC Rcd 2322, 2330 ¶ 19 (WTB/IB 2013) (“*T-Mobile-MetroPCS Order*”); *Applications of T-Mobile USA, Inc. and SunCom Wireless Holdings, Inc.*, Memorandum Opinion and Order, 23 FCC Rcd 2515, 2519-20 ¶ 10 (2008).

⁵ Based on prior guidance from the Wireless Telecommunications Bureau, the Form 602 filing for T-Mobile USA satisfies the ownership reporting requirements of Sections 1.919 and 1.2112(a) of the Commission’s rules for its wholly-owned subsidiaries. *See* 47 C.F.R. §§ 1.919, 1.2112(a); *see also Wireless Telecommunications Bureau Answers Frequently Asked Questions Concerning Reporting of Ownership Information on FCC Form 602*, Public Notice, 14 FCC Rcd 8261, 8264-65 (WTB 1999) (“Form 602 FAQ’s”).

⁶ AT&T plans to merge STX into Cricket on June 30, 2014. STX and Cricket will file the proper post-closing notification with the Commission for that *pro forma* assignment. Once that notification has been processed by the Commission, the Parties will amend the application seeking consent to assign

Licensees”) -- are wholly owned indirect AT&T subsidiaries. Of these entities, all four will be assigning spectrum to T-Mobile, and two, namely AT&T Mobility and Cricket, will be assignees of spectrum from T-Mobile.

AT&T is a leading provider in the United States of wireless, Wi-Fi, high-speed Internet, local and long distance voice, mobile broadband, and advanced TV services, as well as worldwide wireless coverage and IP-based business communications services.⁷ The Commission has concluded repeatedly that AT&T has the qualifications required by the Communications Act of 1934, as amended (the “Act”) to hold Commission authorizations,⁸ and nothing has changed to disturb this conclusion. FCC Form 602 Ownership Reports providing ownership information for the AT&T Licensees are on file with the Commission.⁹

Description of the Transaction

T-Mobile and AT&T Mobility II LLC (the 100 percent corporate parent of AT&T Mobility, New Cingular, STX and Cricket) are each a party to a License Exchange Agreement dated as of June 13, 2014 (the “Exchange Agreement”), pursuant to which:

(i) T-Mobile has agreed to assign to AT&T Mobility the portions of T-Mobile’s licenses shown in Attachment B-1 hereto (collectively, the “T-Mobile Full Licenses”) composed of the full or disaggregated (as applicable) spectrum bandwidth in the full or partitioned (as applicable) license area as shown in Attachment B-2 with AT&T Mobility as the designated AT&T assignee (collectively, the “T-Mobile AT&T Mobility Exchange Licenses”);

Cricket’s licenses to T-Mobile (ULS File Number 0006344533) to add to the form the partial assignments of KNLF914 and WQMP525. The partial assignments of those licenses are now reflected on ULS File Number 0006344539.

⁷ See AT&T Inc., Annual Report (Form 10-K), at 1 (Feb. 21, 2014).

⁸ See, e.g., *AT&T/Leap Order*, 29 FCC Rcd at 2475 ¶ 19; *Applications of AT&T Inc. and Atlantic Tele-Network, Inc. for Consent to Transfer Control of and Assign Licenses and Authorizations*, Memorandum Opinion and Order, 28 FCC Rcd 13,670 ¶ 17 (WTB, IB 2013); *Applications of AT&T Inc., Cellco Partnership D/B/A Verizon Wireless, Grain Spectrum, LLC, and Grain Spectrum II, LLC for Consent to Assign and Lease AWS-1 and Lower 700 MHz Licenses*, Memorandum Opinion and Order, 28 FCC Rcd 12,878 ¶ 17 (WTB 2013); *Application of AT&T Inc. and Qualcomm Inc. for Consent to Assign Licenses and Authorizations*, Order, 26 FCC Rcd 17,589, 17,601 ¶ 28 (2011); *Applications of AT&T Inc. and Cellco Partnership d/b/a Verizon Wireless for Consent to Assign or Transfer Control of Licenses and Authorizations and Modify a Spectrum Leasing Arrangement*, Memorandum Opinion and Order, 25 FCC Rcd 8704, 8720 ¶ 29 (2010); *Applications of AT&T Inc. and Centennial Communications Corporation for Consent to Transfer Control of Licenses, Authorizations and Spectrum Leasing Arrangements*, Memorandum Opinion and Order, 24 FCC Rcd 13,915, 13,931 ¶ 33 (2009).

⁹ AT&T Mobility, New Cingular, STX and Cricket are wholly owned subsidiaries of AT&T, and therefore, are entitled to rely upon AT&T’s Form 602 ownership report. See Form 602 FAQ’s.

(ii) T-Mobile has agreed to assign to Cricket the portions of the T-Mobile Full Licenses composed of the full or disaggregated (as applicable) spectrum bandwidth in the full or partitioned (as applicable) license area as shown in Attachment B-2 hereto with Cricket as the designated AT&T assignee (together with the T-Mobile AT&T Mobility Exchange Licenses, the “T-Mobile Exchange Licenses”);

(iii) AT&T Mobility has agreed to assign to T-Mobile the portions of AT&T Mobility’s licenses shown in Attachment A-1 hereto (collectively, the “AT&T Mobility Full Licenses”) composed of the full or disaggregated (as applicable) spectrum bandwidth in the full or partitioned (as applicable) license area as shown in Attachment A-2 hereto (collectively, the “AT&T Mobility Exchange Licenses”);

(iv) New Cingular has agreed to assign to T-Mobile the portions of New Cingular’s licenses shown in Attachment A-1 hereto (collectively, the “New Cingular Full Licenses”) composed of the full or disaggregated (as applicable) spectrum bandwidth in the full or partitioned (as applicable) license area as shown in Attachment A-2 hereto (collectively, the “New Cingular Exchange Licenses”);

(v) STX has agreed to assign to T-Mobile the portions of STX’s licenses shown in Attachment A-1 hereto (collectively, the “STX Full Licenses”) composed of the full or disaggregated (as applicable) spectrum bandwidth in the full or partitioned (as applicable) license area as shown in Attachment A-2 hereto (collectively, the “STX Exchange Licenses”); and

(vi) Cricket has agreed to assign to T-Mobile the portion of Cricket’s license shown in Attachment A-1 hereto (the “Cricket Full License”) composed of the full or disaggregated (as applicable) spectrum bandwidth in the full or partitioned (as applicable) license area as shown in Attachment A-2 hereto (the “Cricket Exchange License”).

The T-Mobile Full Licenses, the AT&T Mobility Full Licenses, the New Cingular Full Licenses, the STX Full Licenses and the Cricket Full License are referred to herein as the “Full Licenses,” and the T-Mobile Exchange Licenses, the AT&T Mobility Exchange Licenses, the New Cingular Exchange Licenses, the STX Exchange Licenses and the Cricket Exchange License are referred to herein as the “Exchange Licenses.”

The license assignments described above will all occur concurrently at the closing of the transactions contemplated by the Exchange Agreement (the “Exchange Closing”).

Transition Issues

The transaction involves only the assignments of spectrum and does not include the transfer of any other assets, facilities or customers. There will be no loss of an existing service provider in any area. Although the Parties provide service using some of their respective Exchange Licenses, all of these operations will be transitioned to other spectrum that the applicable carrier (or its affiliates) has in the same market or is

acquiring in an intra-market swap in this transaction. These transitions thus will be seamless and invisible to retail customers, and there will be no discontinuance, reduction, loss or impairment of service to customers.

Specifically, in markets that are the subject of an intra-market exchange, each of T-Mobile and the applicable AT&T Licensee will transition its operations on the Exchange License(s) that it is assigning to the exchange spectrum that it (or an affiliate) is acquiring from the other Parties in this transaction. In markets where T-Mobile, New Cingular, AT&T Mobility, STX and Cricket are assigning Exchange License(s) and not receiving any spectrum from the other Parties, each Party will transition its operations to other spectrum licensed to it or its affiliates in those markets.¹⁰ Therefore, there will be no discontinuance, reduction, loss or impairment of service to customers.

The Parties intend to enter into spectrum manager leases to facilitate the transition of the existing operations of the Parties from the Exchange Licenses. Such leasing arrangement may consist of pre-closing leases of certain Exchange Licenses to allow each Party to utilize Exchange Licenses to be assigned to it in order to transition operations to such spectrum from Exchange Licenses to be assigned by it to another Party at the Exchange Closing. In that case, the leasing arrangements will terminate upon the Exchange Closing (or the termination of the Exchange Agreement). Such leasing arrangement may instead consist of post-closing leases of certain Exchange Licenses from the assignee at the Exchange Closing back to the assignor in order to allow assignor to complete the transition of its operations from the applicable Exchange License. In that case, the leasing arrangements will terminate on December 31, 2014. In either case, the Parties will file the appropriate spectrum manager lease notifications with the Commission and the cancellation notices as appropriate and in accordance with the Commission's rules.

The Parties intend to consummate the subject transactions promptly following Commission consent and the satisfaction of certain contractual conditions.

Public Interest Statement

Section 310(d) of the Act requires that the Commission determine whether the transaction presented herein is consistent with the public interest, convenience and necessity.¹¹ To make that assessment, the Commission generally considers four factors:

¹⁰ In the case of AT&T Mobility, there are no customer transition issues relating to this assignment arrangement, because AT&T Mobility is not currently providing service over the portions of the licensed spectrum being sold to T-Mobile.

¹¹ Section 310(d) provides that "no construction permit, or station license, or any rights thereunder, shall be transferred, assigned, or disposed of in any matter . . . to any person except upon application to the Commission and upon finding by the Commission that the public interest, convenience, and necessity will be served thereby." 47 U.S.C. § 310(d).

“(1) whether the transaction would result in the violation of the Act or any other applicable statutory provision; (2) whether the transaction would result in a violation of Commission rules; (3) whether the transaction would substantially frustrate or impair the Commission’s implementation or enforcement of the Act or interfere with the objectives of that and other statutes; and (4) whether the transaction promises to yield affirmative public interest benefits.”¹² As part of its public interest analysis, the Commission reviews whether the transaction will have anti-competitive effects and, if so, whether there are overriding public interest benefits that would support a grant.

The Commission has determined that transfer and assignment applications that demonstrate on their face that a transaction will yield affirmative public interest benefits and will neither violate the Act or Commission rules nor frustrate or undermine policies and enforcement of the Act do not require extensive review and expenditures of considerable resources by the Commission.¹³ The instant applications meet this standard.¹⁴

¹² *SBC Communications Inc. and BellSouth Corp.*, Memorandum Opinion and Order, 15 FCC Rcd 25,459, 25,464 ¶ 13 (WTB/IB 2000) (citation omitted); *Ameritech Corp. and SBC Communications Inc.*, Memorandum Opinion and Order, 14 FCC Rcd 14,712, 14,737-38 ¶ 48 (1999) (“*Ameritech-SBC Order*”); see also *EchoStar Communications Corp., (a Nevada Corp.), Gen. Motors Corp., and Hughes Electronics Corp (Delaware Corp.) and EchoStar Communications Corp. (a Delaware Corp.)*, Hearing Designation Order, 17 FCC Rcd 20,559, 20,574 ¶ 25 (2002); *WorldCom, Inc. and MCI Communications Corp.*, Memorandum Opinion and Order, 13 FCC Rcd 18,025, 18,030-32 ¶¶ 8-10 (1998); *Merger of MCI Communications Corp. and British Telecommunications plc*, Memorandum Opinion and Order, 12 FCC Rcd 15,351, 15,367-68 ¶¶ 33-34 (1997).

¹³ *Applications of SoftBank Corp., Starburst II, Inc., Sprint Nextel Corp., and Clearwire Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, Declaratory Ruling, and Order on Reconsideration, 28 FCC Rcd 9642, 9682 ¶ 102 (2013) (“[U]nder the Commission’s sliding scale approach, where potential public interest harms appear unlikely . . . we will accept a lesser showing of public interest benefits.”). See also *Tele-Communications, Inc. and AT&T Corp.*, Memorandum Opinion and Order, 14 FCC Rcd 3160, 3170 ¶ 16 (1999); *Ameritech-SBC Order*, 14 FCC Rcd at 14,740-41 ¶ 54.

¹⁴ The Commission has emphasized that a detailed showing of benefits is not required for transactions where there are no anti-competitive effects. The Commission stated in *Southern New England Telecomm. Corp. and SBC Communications Inc.*, Memorandum Opinion and Order, 13 FCC Rcd 21,292, 21,315 ¶ 45 (1998), that, in the absence of anti-competitive effects, a detailed showing of benefits is not necessary in seeking approval of a merger. Similarly, as the Commission stated in its approval of the SBC/Pacific Telesis merger, where it found that the merger would not reduce competition and that SBC possessed the requisite qualifications to control the licenses in question, “[a] demonstration that benefits will arise from the transfer is not . . . a prerequisite to our approval, provided that no foreseeable adverse consequences will result from the transfer.” *Pacific Telesis Group and SBC Communications Inc.*, Memorandum Opinion and Order, 12 FCC Rcd 2624, 2626-27 ¶ 2 (1997); see also *Comcast Cellular Holdings, Inc. and SBC Communications, Inc.*, Memorandum Opinion and Order, 14 FCC Rcd 10,604, 10,608-09 ¶ 10 (WTB 1999). Furthermore, in other similarly styled transactions where AT&T and T-Mobile USA swapped spectrum, there was no opposition from the public, and the FCC consented to the applications on routine public notice. See *Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of License Applications, De Facto Transfer Lease*

The assignments proposed herein will not result in any violation of the Act or any other applicable statutory provision. Moreover, the assignments fully comply with all Commission rules and regulations and require no waivers. Therefore, they do not frustrate or impair the Commission's implementation or enforcement, or the objectives of the Act or other statutes.

Further, the transaction will yield public interest benefits. The proposed assignments of spectrum in this transaction will allow the assignees to make more efficient use of the spectrum and to offer improved services to their customers, thereby enabling each provider to become a stronger competitor. The proposed transaction promotes the Commission's secondary market policies, which seek to ensure the efficient use of spectrum and to make unused and underutilized spectrum available to others who can use it to provide service.¹⁵

A portion of the spectrum being assigned in this transaction will occur as exchanges of spectrum within the same market. T-Mobile and the applicable AT&T Licensee will assign spectrum to each other (or an affiliate) in intra-market exchanges, which will allow these Parties to enjoy the efficiency benefits associated with larger blocks of contiguous spectrum and/or alignment of spectrum held in adjacent markets. Operating on contiguous blocks of spectrum allows the carriers to use the guard band in the adjacent spectrum blocks, providing access to greater capacity. Aligning the spectrum blocks held in adjacent market areas allows the carriers to operate more efficiently by facilitating handoffs when users transition to the adjacent markets. Spectrum alignment also reduces the coordination burdens associated with operations at the edge of market boundaries because the same carrier operates on the frequency block in the adjacent markets.

In addition, as a result of the transaction contemplated herein, T-Mobile USA and AT&T will increase their spectrum holdings in certain BTAs or CMAs. This will enable added capacity and improved data throughput speeds within existing coverage areas. Thus, Commission approval of these applications will enhance competition and improve the quality of services in the wireless marketplace.

Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action, Public Notice, Rpt No. 8322 (rel. Dec. 20, 2012) (consenting to ULS file nos. 0005339993 *et al.*), and *Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of Licensee Applications, De Facto Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action*, Public Notice, Rpt No. 9270, (rel. Jan. 8, 2014) (consenting to ULS file nos. 0005923320 *et al.*).

¹⁵ *Principles for Promoting the Efficient Use of Spectrum by Encouraging the Development of Secondary Markets*, Policy Statement, Policy Statement, 15 FCC Rcd 24,178, 24,186-87 ¶¶ 1, 19-22 (2000).

Finally, the Full Licenses were initially licensed by the Commission more than three years ago, and none currently is subject to any installment financing. The Full Licenses are not subject to any bidding credits or restrictions on ownership based on designated entity status; therefore, Commission approval of the assignment of the Exchange Licenses would not result in any unjust enrichment concerns.¹⁶

Spectrum Aggregation/Competition Analysis

As discussed below, the proposed spectrum assignments -- which will not reduce the number of competitors, service offerings or customer choices in any market -- raise no spectrum aggregation, competitive or other public interest concerns.

T-Mobile

In two CMAs (CMA661-Texas 10-Navarro and CMA340-California 5-San Luis Obispo) and two BTAs (BTA313-Naples, FL and BTA129-Emporia, KS), T-Mobile USA will be assigning more spectrum than it is receiving, resulting in a *reduction* in T-Mobile USA's aggregate spectrum holdings in that market. In all other markets, where T-Mobile's acquisition of the Exchange Licenses from the AT&T Licensees results in a net gain of spectrum, T-Mobile USA's spectrum aggregation will remain far below spectrum screen levels that may trigger further competitive review (*see Appendix A*).¹⁷ AT&T will continue to provide commercial wireless service in these markets, and each market is already served by a number of other carriers (*see Appendix B*).

AT&T Licensees

In all markets, where the AT&T Licensees' acquisition of Exchange Licenses from T-Mobile results in a net gain of spectrum, AT&T will be far below the spectrum

¹⁶ See 47 C.F.R. § 1.2111.

¹⁷ The Commission's initial spectrum screen identifies, for further case-by-case market analysis, those markets in which, post transaction, the applicable party would have a 10 percent or greater interest in 102 MHz or more of PCS, SMR, and 700 MHz spectrum where neither BRS nor AWS-1 spectrum is available; 121 MHz or more of spectrum where BRS spectrum is available but AWS-1 spectrum is not available; 132 MHz or more of spectrum where AWS-1 spectrum is available but BRS spectrum is not available; or 151 MHz or more of spectrum where both AWS-1 and BRS spectrum are available. See *AT&T/Leap Order* 29 FCC Rcd at 2753 ¶ 41, n. 141. Earlier this month, the Commission updated the spectrum screen by (i) adding the following spectrum to the screen: total amount of 600 MHz (after incentive auction ends), 40 MHz of AWS-4, 10 MHz of H Block, 12 MHz of BRS, 89 MHz of EBS and 65 MHz of AWS-3 (as available, market by market); and (ii) deleting the following: 12.5 MHz of SMR and 10 MHz that was the upper 700 MHz D Block. See *Policies Regarding Mobile Spectrum Holdings, Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, FCC 14-63, ¶¶ 70-135 (rel. June 2, 2014). The related rules will become effective 60 days after publication in the *Federal Register*. The aggregate spectrum holdings of T-Mobile and the AT&T Licensees will fall even further below the levels of this updated screen.

screen levels that the Commission has found may warrant further review (*see Exhibit A*). In addition, T-Mobile USA will continue to provide service in all of the markets in which it is assigning spectrum to AT&T, and there are numerous other carriers holding CMRS spectrum in areas where AT&T is acquiring spectrum (*see Exhibit B*).

Statement of No Environmental Impact

As required by Section 1.923(e) of the Commission's rules,¹⁸ the Applicants state that the assignment of licenses involved in this transaction will not have a significant environmental effect, as defined by Section 1.1307 of the Commission's rules.¹⁹ An assignment of licenses does not involve any engineering changes and, therefore, cannot have a significant environmental impact.

Foreign Ownership of T-Mobile

As noted above, T-Mobile is a wholly-owned subsidiary of T-Mobile USA. T-Mobile USA in turn is a wholly owned direct subsidiary of T-Mobile US, a U.S.-organized entity. DT, a publicly-traded German corporation,²⁰ holds a 66.79 percent interest in T-Mobile US and, indirectly, in T-Mobile USA through the intermediate companies described above.

On March 12, 2013, the Commission issued an order approving the transfer of control of licenses, leases and authorizations held by MetroPCS Communications, Inc. ("MetroPCS Communications") and its subsidiaries to DT to effect a combination of T-Mobile USA and MetroPCS Communications.²¹ In that order, the Commission approved a petition for declaratory ruling under Section 310(b)(4) of the Communications Act authorizing up to 100 percent indirect foreign investment in T-Mobile USA's common carrier licensees by DT and its shareholders, subject to certain conditions.²² That declaratory ruling extended to the "T-Mobile USA/MetroPCS Common Carrier Licensees,"²³ which include (among other licensee subsidiaries of

¹⁸ 47 C.F.R. § 1.923(e).

¹⁹ *Id.* § 1.1307.

²⁰ Germany is a signatory to the World Trade Organization ("WTO") Basic Agreement on Telecommunications.

²¹ *See T-Mobile-MetroPCS Order*.

²² *See Id.* at 2359 ¶ 96.

²³ *Id.* On December 30, 2013, the Commission granted T-Mobile US's Petition for Declaratory Ruling seeking a declaratory ruling on behalf of itself and its subsidiaries and affiliates under Section 310(b)(4) of the Communications Act in connection with an internal corporate reorganization that resulted in the insertion of a new direct parent company, Deutsche Telekom Holding B.V. ("DT Holding B.V."), into T-Mobile US's ownership chain. DT Holding B.V. is a limited liability company organized in the

T-Mobile USA) T-Mobile, and the type of wireless service licenses that are the subject of the instant transaction. On May 1, 2013, the T-Mobile USA-MetroPCS Communications combination was consummated. As a result of that transaction, DT held a 74 percent ownership interest in the T-Mobile USA/MetroPCS Communications common carrier licensees (including T-Mobile), and former MetroPCS Communications' shareholders retained the remaining 26 percent ownership interest.²⁴ Since that time, DT's ownership interest in T-Mobile US has decreased to approximately 66.79 percent. Otherwise, the foreign ownership in the licensees as approved has not materially changed since May 1, 2013 and will not be affected by the instant transaction.

Compliance with DOJ/FBI/DOD Agreement by T-Mobile

T-Mobile also requests that the Commission condition its grant of the assignments of the AT&T Exchange Licenses (but not the grant of the assignments of the T-Mobile Exchange Licenses) on compliance with the provisions of the Agreement entered into on January 12, 2001, as amended, between DT, VoiceStream Wireless Corporation and VoiceStream Wireless Holding Corporation, on the one hand, and the Department of Justice and the Federal Bureau of Investigation on the other (the "Agreement").²⁵ The Agreement prescribed that the following specific language be included in the conditional grant of interests in FCC licenses in the specific context of the Agreement:

It is further ordered, that the authorizations and the licenses related thereto are subject to compliance with the provisions of the Agreement attached hereto between Deutsche Telekom AG, VoiceStream Wireless Corporation, VoiceStream Wireless Holding Corporation on the one hand, and the Department of Justice (the "DOJ") and the Federal Bureau of Investigation (the

Netherlands. (File No. ISP-PDR-20130924-00006, filed Sept. 24, 2013 and supplemented Oct. 24, 2013); *Non Streamlined International Applications/Petitions Accepted for Filing*, Public Notice, Report No. TEL-01639NS (rel. Oct. 28, 2013).

²⁴ The ownership interest of the Federal Republic of Germany ("FRG") in DT and, indirectly, in T-Mobile USA and its subsidiaries (including T-Mobile) was reduced by the T-Mobile USA/MetroPCS Communications combination and subsequent developments from 31.98 percent to 21.37 percent (derived by multiplying FRG's equity interest in DT (32%) by DT's equity interest in T-Mobile USA (66.79%) (32.00% X 66.79% = 21.37%)).

²⁵ See *Applications of VoiceStream Wireless Corp., Powertel, Inc. and Deutsche Telekom, AG*, Memorandum Opinion and Order, 16 FCC Rcd 9779, Appendix B (2001) (Agreement between DT, VoiceStream Wireless Corporation, VoiceStream Wireless Holding Corporation, the Department of Justice and the Federal Bureau of Investigation dated Jan. 12, 2001). The Agreement was amended in 2008 to add the Department of Homeland Security as a party and also amended in 2013 in connection with license transfers associated with the T-Mobile/MetroPCS transaction. See *Applications of T-Mobile USA, Inc. and SunCom Wireless Holding, Inc.*, Memorandum Opinion and Order, 23 FCC Rcd 2515, Appendix B (2008); *T-Mobile/MetroPCS Order*, 28 FCC Rcd at Appendix B, Amendment No. 2.

“FBI”) on the other, dated January 12, 2001, which Agreement is designed to address national security, law enforcement, and public safety issues of the FBI and the DOJ regarding the authority granted herein. Nothing in the Agreement is intended to limit any obligation imposed by Federal law or regulation including, but not limited to, 47 U.S.C. § 222(a) and (c)(1) and the FCC’s implementing regulations.²⁶

T-Mobile hereby requests that the Commission impose a similar condition of the grant of the assignments of the AT&T Exchange Licenses.

The AT&T Licensees are not owned or controlled by any foreign entity within the scope of Section 310 of the Act and are not a party to the Agreement, and thus the T-Mobile Exchange Licenses to be assigned to the AT&T Licensees should not be conditioned with the above-referenced language.

Conclusion

The Parties respectfully submit that each assignee is qualified to hold the applicable spectrum licenses referenced above and that Commission approval of the requested assignments will serve the public interest, convenience and necessity.²⁷ Accordingly, the Parties respectfully request that the Commission grant the instant applications expeditiously and without conditions.

²⁶ *Applications of VoiceStream Wireless Corp., Powertel, Inc. and Deutsche Telekom, AG*, 16 FCC Rcd at Appendix B, Exhibit A (Condition to FCC Licenses).

²⁷ *See Promoting Efficient Use of Spectrum Through Elimination of Barriers to the Development of Secondary Markets*, Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 20,604 (2003).

ATTACHMENT A-1

AT&T LICENSES

Licensee	Call Sign	License Type	License Area (Market No.)	Block	Authorized Frequencies (MHz)	Grant or Renewal Date	Expiration Date
STX Wireless License, LLC	KNLF914	PCS	Laredo, TX (BTA242)	E	1885.0-1890.0; 1965.0-1970.0	5/7/2007	4/28/2017
STX Wireless License, LLC	WQMP525	AWS	Central (REA005 -- partitioned)	E	1740.0-1745.0; 2140.0-2145.0	10/13/2010	12/18/2021
Cricket License Company, LLC	WQGD769	AWS	Central (REA005 -- partitioned)	E	1740.0-1745.0; 2140.0-2145.0	12/18/2006	12/18/2021
New Cingular Wireless PCS, LLC	KNLG416	PCS	Eagle Pass-Del Rio, TX (BTA 121)	E2	1887.5-1890.0; 1967.5-1970.0 (disaggregated)	6/21/2007	4/28/2017
New Cingular Wireless PCS, LLC	KNLG540	PCS	San Antonio, TX (BTA401 -- partitioned)	E	1885.0-1890.0; 1965.0-1970.0	8/15/2007	6/27/2017
New Cingular Wireless PCS, LLC	KNLG932	PCS	San Angelo, TX (BTA400 -- partitioned)	F	1890.0-1895.0; 1970.0-1975.0	11/29/2007	11/5/2017
New Cingular Wireless PCS, LLC	WPQY414	PCS	Eagle Pass-Del Rio, TX (BTA 121)	C2	1895.0-1902.5; 1975.0-1982.5 (disaggregated)	6/26/2009	6/30/2019
AT&T Mobility Spectrum LLC	WQMJ747	AWS	West (REA006 -- partitioned)	D	1735.0-1740.0; 2135.0-2140.0	7/9/2010	11/29/2021
AT&T Mobility Spectrum LLC	WQGA777	AWS	Kansas City, MO-KS (BEA099 -- partitioned)	C	1730.0-1735.0 2130.0-2135.0	11/29/2006	11/29/2021
New Cingular Wireless PCS, LLC	KNLG535	PCS	St. Joseph, MO (BTA393)	D	1865.0-1870.0; 1945.0-1950.0	6/27/2007	6/27/2017
New Cingular Wireless PCS, LLC	KNLG902	PCS	Topeka, KS (BTA445)	D	1865.0-1870.0; 1945.0-1950.0	6/27/2007	6/27/2017

New Cingular Wireless PCS, LLC	KNLG846	PCS	Naples, FL (BTA313)	F	1890.0-1095.0; 1970.0-1975.0	4/16/2007	4/28/2017
AT&T Mobility Spectrum LLC	WQGA788	AWS	West (REA006 -- partitioned)	E	1740.0-1745.0; 2140.0-2145.0	11/29/2006	11/29/2006
New Cingular Wireless PCS, LLC	KNLF205	PCS	Los Angeles-San Diego (MTA002 -- partitioned)	B (various)	1882.5-1885; 1962.5-1965; 1875.0-1885; 1955.0-1965; 1877.5-1882.5; 1957.5-1962.5 (disaggregated)	7/7/2005	6/23/2015
New Cingular Wireless PCS, LLC	KNLG889	PCS	Emporia, KS (BTA129)	D	1865-0-1870.0; 1945.0-1950.0	6/12/2007	4/28/2017

ATTACHMENT A-2

AT&T EXCHANGE LICENSES

Call Sign	Full Assignment of AT&T Licenses; Partition and/or Disaggregation of AT&T License	Counties	Market Name (No.)	Spectrum Assigned (Service/Block)
KNLF914	Partition	Webb, TX LaSalle, TX	Laredo, TX (CMA281); Texas 18 - Edwards (CMA669) (partial)	1885.0-1890.0; 1965.0-1970.0 (PCS/E)
WQMP525	Partition	Nueces, TX San Patricio, TX	Corpus Christi, TX (CMA112)	1740.0-1745.0; 2140.0-2145.0 (AWS/E)
WQGD769	Partition	Hardin, TX Jefferson, TX Orange, TX	Beaumont-Port Arthur, TX (CMA101)	1740.0-1745.0; 2140.0-2145.0 (AWS/E)
		Anderson, TX Falls, TX Freestone, TX Henderson, TX Leon, TX Limestone, TX Milam, TX Navarro, TX Robertson, TX Van Zandt, TX	Texas 10 - Navarro (CMA661)	
WQMP525	Partition	Hidalgo, TX	McAllen-Edinburg- Mission, TX (CMA128)	1740.0-1745.0; 2140.0-2145.0 (AWS/E)
WQMP525	Partition	Cameron, TX	Brownsville- Harlingen, TX (CMA162)	1740.0-1745.0; 2140.0-2145.0 (AWS/E)
KNLG416	Full Assignment	Dimmit, TX Kinney, TX Maverick, TX Val Verde, TX Zavala, TX	Texas 18 - Edwards (CMA669) (partial)	1887.5-1890.0; 1967.5-1970.0 (PCS/E2)

KNLG540	Partition	Bandera, TX Frio, TX Medina, TX Real, TX Uvalde, TX	Texas 18 - Edwards (CMA669) (partial)	1885.0-1890.0; 1965.0-1970.0 (PCS/E)
KNLG932	Partition	Edwards, TX	Texas 18 - Edwards (CMA669) (partial)	1890.0--1895.0; 1970.0-1975.0 (PCS/F)
WPQY414	Disaggregation	Dimmit, TX Kinney, TX Maverick, TX Val Verde, TX Zavala, TX	Texas 18 - Edwards (CMA669) (partial)	1895.0- 1897.5.0; 1975.0-1977.5 (PCS/C3 lower)
WQMJ747	Full Assignment	Spokane, WA	Spokane, WA (CMA109)	1735.0-1740.0; 2135.0-2140.0 (AWS/D)
WQGA777	Partition	Atchison, KS Doniphan, KS Leavenworth, KS	Kansas 5 - Brown (CMA432) (partial)	1730.0-1735.0 2130.0-2135.0 (AWS/C)
KNLG535	Partition	Brown, KS	Kansas 5 - Brown (CMA432) (partial)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)
KNLG902	Partition	Jackson, KS	Kansas 5 - Brown (CMA432) (partial)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)
KNLG846	Full Assignment	Collier, FL	Naples, FL (BTA313)	1890.0-1895.0; 1970.0-1975.0 (PCS/F)
WQGA788	Partition	San Luis Obispo, CA	California 5 - San Luis Obispo (CMA340)	1740.0-1745.0; 2140.0-2145.0 (AWS/E)
KNLF205	Partition and Disaggregation	San Luis Obispo, CA	California 5 - San Luis Obispo (CMA340)	1880.0-1882.5; 1960.0-1962.5 (PCS/B5 lower)
KNLG889	Full Assignment	Chase, KS Coffey, KS Lyon, KS	Emporia, KS (BTA129)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)

ATTACHMENT B-1

T-MOBILE LICENSES

Licensee	Call Sign	License Type	License (Market No.)	Area	Block	Authorized Frequencies (MHz)	Grant or Renewal Date	Expiration Date
T-Mobile License LLC	KNLG331	PCS	Naples, FL (BTA313)		D	1865.0-1870.0; 1945.0-1950.0	4/25/2007	4/28/2017
T-Mobile License LLC	WPVN593	PCS	Miami-Fort Lauderdale (MTA015 -- partitioned)		A5	1860.0-1865.0; 1940.0-1945.0 (disaggregated)	6/30/2005	6/23/2015
T-Mobile License LLC	WPOL281	PCS	Shreveport, LA (BTA419)		C	1895.0-1910.0; 1975.0-1990.0	10/2/2009	10/28/2019
T-Mobile License LLC	WQGA850	AWS	Texas 10 -- Navarro (CMA661)		A	1710.0-1720.0; 2110.0-2120.0	11/29/2006	11/29/2021
T-Mobile License LLC	KNLF561	PCS	Gainesville, GA (BTA160)		C5	1905.0-1910.0; 1985.0-1990.0 (disaggregated)	2/14/2007	1/27/2017
T-Mobile License LLC	WQGG894	PCS	San Francisco-Oakland-San Jose (MTA004 -- partitioned)		B4 upper, B5 upper	1877.5-1880.0; 1957.5-1960.0; 1882.5-1885.0; 1962.5-1965.0 (disaggregated)	11/21/2006	6/23/2015
T-Mobile License LLC	WQGD523	AWS	California 5 -- San Luis Obispo (CMA340)		A	1710.0-1720.0; 2110.0-2120.0	12/18/2006	12/18/2021
T-Mobile License LLC	KNLF983	PCS	Lancaster, PA (BTA240)		E	1885.0-1890.0; 1965.0-1970.0	4/25/2007	4/28/2017
T-Mobile License LLC	WQHG441	PCS	Emporia, KS (BTA129)		C4	1900.0-1905.0; 1980.0-1985.0	7/23/2007	7/23/2017
T-Mobile License LLC	WQHG442	PCS	Emporia, KS (BTA129)		C5	1905.0-1910.0; 1985.0-1990.0	7/23/2007	7/23/2017
T-Mobile License LLC	WQGB377	AWS	Mississippi Valley (REA004 -- partitioned)		D	1735.0-1740.0; 2135.0-2140.0	11/29/2006	11/29/2021

ATTACHMENT B-2

T-MOBILE EXCHANGE LICENSES

Call Sign	Full Assignment of T-Mobile Licenses; Partition and/or Disaggregation of T-Mobile License	Counties	Market Name (No.)	Spectrum Assigned (Service/Block)	
KNLG331	Full Assignment	Collier, FL	Naples, FL (BTA313)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)	AT&T Mobility
WPVN593	Full Assignment	Collier, FL	Naples, FL (BTA313)	1860.0-1865.0; 1940.0-1945.0 (PCS/A5)	AT&T Mobility
WPOL281	Disaggregation	Bienville, LA Bossier, LA Caddo, LA Claiborne, LA De Soto, LA Jackson, LA Lincoln, LA Natchitoches, LA Red River, LA Sabine, LA Webster, LA Shelby, TX	Shreveport, LA (BTA419)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	AT&T Mobility
WQGA850	Full Assignment	Anderson, TX Falls, TX Freestone, TX Henderson, TX Leon, TX Limestone, TX Milam, TX Navarro, TX Robertson, TX Van Zandt, TX	Texas 10 -- Navarro (CMA661)	1710.0-1720.0; 2110.0-2120.0 (AWS/A)	Cricket

KNLF561	Full Assignment	Banks, GA Dawson, GA Habersham, GA Hall, GA Lumpkin, GA White, GA	Gainesville, GA (BTA160)	1905.0-1910.0; 1985.0-1990.0 (PCS/C5)	Cricket
WQGG894	Partition	Shasta, CA Siskiyou, CA Tehama, CA Trinity, CA	Redding, CA (BTA371)	1877.5-1880.0; 1957.5-1960.0 (PCS/B4 upper)	AT&T Mobility
		Sutter, CA Yuba, CA	Yuba City- Marysville, CA (BTA485)	1877.5-1880.0; 1957.5-1960.0 (PCS/B4 upper)	AT&T Mobility
		Butte, CA Glenn, CA	Chico-Oroville, CA (BTA079)	1882.5-1885.0; 1962.5-1965.0 (PCS/B5 upper)	AT&T Mobility
WQGD523	Full Assignment	San Luis Obispo, CA	California 5 -- San Luis Obispo (CMA340)	1710.0-1720.0; 2110.0-2120.0 (AWS/A)	Cricket
KNLF983	Full Assignment	Lancaster, PA	Lancaster, PA (BTA240)	1885.0-1890.0; 1965.0-1970.0 (PCS/E)	AT&T Mobility
WQHG441	Full Assignment	Chase, KS Coffey, KS Lyon, KS	Emporia, KS (BTA129)	1900.0-1905.0; 1980.0-1985.0 (PCS/C4)	AT&T Mobility
WQHG442	Full Assignment	Chase, KS Coffey, KS Lyon, KS	Emporia, KS (BTA129)	1905.0-1910.0; 1985.0-1990.0 (PCS/C5)	AT&T Mobility
WQGB377	Partition	Boyle, KY Casey, KY Garrard, KY Laurel, KY Lincoln, KY Madison, KY Pulaski, KY Rockcastle, KY	Kentucky 6 -- Madison (CMA448)	1735.0-1740.0; 2135.0-2140.0 (AWS/D)	AT&T Mobility